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SENATE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

FOR

HOUSE COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 1174

AN ACT

To repeal sections 162.081 and 162.083, RSMo, and to enact in lieu thereof two new sections relating to school accreditation, with an emergency clause.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section A. Sections 162.081 and 162.083, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 162.081 and 162.083, to read as follows:

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sections 162.081 and 162.083, to read as follows:

162.081. 1. Whenever any school district in this state
fails or refuses in any school year to provide for the minimum
school term required by section 163.021 or is classified
unaccredited [for two successive school years by the state board
of education, its corporate organization shall lapse. The
corporate organization of any school district that is classified
as unaccredited shall lapse on June thirtieth of the second full
school year of such unaccredited classification after the school
year during which the unaccredited classification is initially
assigned. The territory theretofore embraced within any district
that lapses pursuant to this section or any portion thereof may

- 1 be attached to any district for school purposes by the state
- 2 board of education; but no school district, except a district
- 3 classified as unaccredited pursuant to section 163.023 and
- 4 section 160.538 shall lapse where provision is lawfully made for
- 5 the attendance of the pupils of the district at another school
- 6 district that is classified as provisionally accredited or
- 7 accredited by the state board of education], the state board of
- 8 education shall:
- 9 (1) Review the governance of the district to establish the
- 10 conditions under which the existing school board shall continue
- 11 to govern; or
- 12 (2) Determine the date the district shall lapse and
- determine an alternative governing structure for the district.
- 2. [Prior to or] <u>If</u> at the time any school district in this
- state shall [lapse, but after the school district has been] be
- 16 classified as unaccredited, the department of elementary and
- 17 secondary education shall conduct [a] at least two public
- 18 [hearing] hearings at a location in the unaccredited school
- 19 district regarding the accreditation status of the school
- 20 district. The hearings shall provide an opportunity to convene
- 21 community resources that may be useful or necessary in supporting
- 22 the school district as it attempts to return to accredited
- 23 <u>status</u>, continues under revised governance, or plans for
- 24 <u>continuity of educational services and resources upon its</u>
- 25 attachment to a neighboring district. The department may request
- 26 the attendance of stakeholders and district officials to review
- 27 the district's plan to return to accredited status, if any; offer
- 28 <u>technical assistance; and facilitate and coordinate community</u>

- 1 <u>resources</u>. [The purpose of the hearing shall be
- 2 to:

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- 3 (1) Review any plan by the district to return to accredited 4 status; or
- 5 (2) Offer any technical assistance that can be provided to the district.
- 7 Except as otherwise provided in section 162.1100, in a 8 metropolitan school district or an urban school district 9 containing most or all of a city with a population greater than 10 three hundred fifty thousand inhabitants and in any other school 11 district if the local board of education does not anticipate a 12 return to accredited status, the state board of education may 13 appoint a special administrative board to supervise the financial 14 operations, maintain and preserve the financial assets or, if 15 warranted, continue operation of the educational programs within the district or what provisions might otherwise be made in the 16 17 best interest of the education of the children of the district. 18 The special administrative board shall consist of two persons who 19 are residents of the school district, who shall serve without 20 compensation, and a professional administrator, who shall chair 21 the board and shall be compensated, as determined by the state 22 board of education, in whole or in part with funds from the 23 district.
 - 4.] 3. Upon [lapse of the district] classification of a district as unaccredited, the state board of education may:
 - (1) Allow continued governance by the existing school district board of education under terms and conditions established by the state board of education;

1	(2) Appoint a special administrative board, [if such a
2	board has not already been appointed, and authorize the special
3	administrative board to retain the authority granted to a board
4	of education] for the operation of all or part of the district.
5	The number of members of the special administrative board shall
6	not be less than five, the majority of whom shall be residents of
7	the district. The members of the special administrative board
8	shall reflect the population characteristics of the district and
9	shall collectively possess strong experience in school
10	governance, management and finance, and leadership. Any special
11	administrative board appointed under this section shall be
12	responsible for the operation of the district until such time
13	that the district is classified by the state board of education
14	as provisionally accredited for two successive academic years,
15	after which time the state board of education may provide for a
16	transition pursuant to section 162.083;
17	[(2)] (3) Determine an alternative governing structure for
18	the district including, at a minimum:
19	(a) A rationale for the decision to use an alternative form
20	of governance and in the absence of the district's achievement of
21	full accreditation, the state board of education shall review and
22	recertify the alternative form of governance every three years;
23	(b) A method for the residents of the district to provide
24	public comment after a stated period of time or upon achievement
25	of specified academic objectives;
26	(c) Expectations for progress on academic achievement,
27	which shall include an anticipated timeline for the district to
28	reach full accreditation; and

1	(d) Annual reports to the general assembly and the governor
2	on the progress towards accreditation of any district that has
3	been declared unaccredited and is placed under an alternative
4	form of governance, including a review of the effectiveness of
5	the alternative governance;

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- (4) Attach the territory of the lapsed district to another district or districts for school purposes; or
- [(3)] (5) Establish one or more school districts within the territory of the lapsed district, with a governance structure [consistent with the laws applicable to districts of a similar size] specified by the state board of education, with the option of permitting a district to remain intact for the purposes of assessing, collecting, and distributing property taxes, to be distributed equitably on a weighted average daily attendance basis, but to be divided for operational purposes, which shall take effect sixty days after the adjournment of the regular session of the general assembly next following the state board's decision unless a statute or concurrent resolution is enacted to nullify the state board's decision prior to such effective date. [The special administrative board may retain the authority granted to a board of education for the operation of the lapsed school district under the laws of the state in effect at the time of the lapse.]
- [5.] 4. A special administrative board appointed under this section shall retain the authority granted to a board of education for the operation of the lapsed school district under the laws of the state in effect at the time of the lapse and may enter into contracts with accredited school districts or other

education service providers in order to deliver high quality 1 2 educational programs to the residents of the district. If a 3 student graduates while attending a school building in the district that is operated under a contract with an accredited 4 5 school district as specified under this subsection, the student 6 shall receive his or her diploma from the accredited school 7 district. The authority of the special administrative board shall expire at the end of the third full school year following 8 9 its appointment, unless extended by the state board of education. 10 If the lapsed district is reassigned, the special administrative board shall provide an accounting of all funds, assets and 11 12 liabilities of the lapsed district and transfer such funds, 13 assets, and liabilities of the lapsed district as determined by 14 the state board of education. Neither the special administrative 15 board nor its members or employees shall be deemed to be the 16 state or a state agency for any purpose, including section 17 105.711, et seq. The state of Missouri, its agencies and 18 employees, shall be absolutely immune from liability for any and 19 all acts or omissions relating to or in any way involving the 20 lapsed district, the special administrative board, its members or 21 employees. Such immunities, and immunity doctrines as exist or 22 may hereafter exist benefitting boards of education, their 23 members and their employees shall be available to the special administrative board, its members and employees. 24

[6. Upon recommendation of the special administrative board, the state board of education may assign the funds, assets and liabilities of the lapsed district to another district or districts. Upon assignment, all authority of the special

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administrative board shall transfer to the assigned districts.

- 7.] 5. Neither the special administrative board nor any district or other entity assigned territory, assets or funds from a lapsed district shall be considered a successor entity for the purpose of employment contracts, unemployment compensation payment pursuant to section 288.110, or any other purpose.
 - [8.] 6. If additional teachers are needed by a district as a result of increased enrollment due to the annexation of territory of a lapsed or dissolved district, such district shall grant an employment interview to any permanent teacher of the lapsed or dissolved district upon the request of such permanent teacher.
 - [9. (1) The governing body of a school district, upon an initial declaration by the state board of education that such district is provisionally accredited, may, and, upon an initial declaration by the state board of education that such district is unaccredited, shall develop a plan to be submitted to the voters of the school district to divide the school district if the district cannot attain accreditation within three years of the initial declaration that such district is unaccredited. In the case of such a district being declared unaccredited, such plan shall be presented to the voters of the district before the district lapses. In the case of such a district being declared provisionally accredited, such plan may be presented before the close of the current accreditation cycle.
 - (2) The plan may provide that the school district shall remain intact for the purposes of assessing, collecting and distributing taxes for support of the schools, and the governing

- body of the district shall develop a plan for the distribution of
 such taxes equitably on a per-pupil basis if the district selects
- 3 this option.

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- 4 (3) The makeup of the new districts shall be racially balanced as far as the proportions of students allow.
- 6 (4) If a majority of the district's voters approve the
 7 plan, the state board of education shall cooperate with the local
 8 board of education to implement the plan, which may include use
 9 of the provisions of this section to provide an orderly
 10 transition to new school districts and achievement of accredited
 11 status for such districts.
- 10.] 7. In the event that a school district with an
 enrollment in excess of five thousand pupils lapses, no school
 district shall have all or any part of such lapsed school
 district attached without the approval of the board of the
 receiving school district.
- 8. Nothing in this section or section 162.083 shall
 supersede, or be construed to supersede, the provisions of
 section 167.131 and section 167.241. No action of the state
 board of education shall be contrary to the provisions of section
 167.131 and section 167.241.
 - 162.083. 1. The state board of education may appoint additional members to any special administrative board appointed under section 162.081.
 - 2. The state board of education may set a final term of office for any member of a special administrative board, after which a successor member shall be elected by the voters of the district.

- 1 (1) All final terms of office for members of the special 2 administrative board established under this section shall expire 3 on June thirtieth.
- 4 (2) The election of a successor member shall occur on the 5 general municipal election day immediately prior to the 6 expiration of the final term of office.

- (3) The election shall be conducted in a manner consistent with the election laws applicable to the school district.
- 3. Nothing in this section shall be construed as barring an otherwise qualified member of the special administrative board from standing for an elected term on the board.
- 4. [If the state board of education appoints a successor member to replace the chair of the special administrative board, the serving members of the special administrative board shall be authorized to appoint a superintendent of schools and contract for his or her services.
- 5.] On a date set by the state board of education, any district operating under the governance of a special administrative board shall return to local governance, and continue operation as a school district as otherwise authorized by law.
 - Section B. Because of the need to provide immediate guidance on the operations of unaccredited districts, section A of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and section A of this act shall be in full force and effect upon its passage and approval.